



# **Advancing the Public Agenda through the 2006-08 Budget**

Senate Appropriations  
and Revenue Committee  
February 9, 2006

# The Mandates for Change

- **Kentucky Postsecondary Education Improvement Act of 1997 – HB 1**

Established a long-term goal of raising the standard of living and quality of life in the Commonwealth above the national average by the year 2020

- **Kentucky Adult Education Act of 2000 – SB 1**

Acknowledged adult literacy as a fundamental barrier to every major challenge facing Kentucky and called for a multi-faceted strategy to address the low level of education of Kentucky's adult population

# 1997 Kentucky Postsecondary Education Improvement Act (HB 1)

## Goals of Reform:

- A seamless, integrated system of postsecondary education strategically planned and adequately funded to enhance economic development and quality of life
- A major comprehensive research institution (UK) ranked nationally in the top 20 public universities
- A premier, nationally recognized metropolitan research university (UofL)

# 1997 Kentucky Postsecondary Education Improvement Act (HB 1)

## Goals of Reform:

- Regional universities, with at least one nationally recognized program of distinction, working cooperatively with other postsecondary institutions
- A comprehensive community and technical college system
- An efficient, responsive, and coordinated system of autonomous institutions that delivers educational services to citizens in quantities and of a quality that is comparable to the national average

# Success Since Reform

- Kentucky's college-going rate of 62% now exceeds the national rate of 57%
- Postsecondary enrollment increased 27% from 1998 to 2005
- Graduation rates for bachelor's students increased from 37% in 1998 to 44% in 2004
- Adult education enrollment increased 144% in five years
- Extramural research and development funding increased from \$166 million to \$264 million between 1999 and 2003
- Degrees awarded at public institutions increased 24% from 1998 to 2005

# 2020 Projections to Meet Goals

To reach the national average in educational attainment, we must roughly **double** the number of working age Kentuckians with a bachelor's degree or higher, from **400,000 to 791,000**.



# 2006-08 Postsecondary Education General Fund Budget Request (Additional Funding)

Priority	Description	FY 2006-07	FY 2007-08	Biennium
1	Base Funding	\$76,030,900	\$74,590,200	\$150,621,100
2	Strategic Trust Funds / Incentive Programs	40,801,600	19,850,000	60,651,600
4	Special Initiatives / Pass-Through Programs	2,160,700	10,135,500	12,296,200
3	Capital	7,600,000	55,597,900	63,197,900

# 2006-08 Capital Projects (General Funds and Agency Bonds)

Category	CPE Recommendation
Capital Renewal	\$15.0 M
Education and General	296.8 M (15 Projects)
Research and Economic Development	170.3 M (4 Projects)
Information / Tech Equipment Purchase	25.0 M
<b>Total General Fund Projects</b>	<b>507.1 M</b>
<b>Total Agency Bond Projects</b>	<b>511.7 M (31 Projects)</b>



# Return on Investment

- According to a recent Kentucky Long-Term Policy Research Center analysis, the state could expect a cumulative increase of more than \$5 billion in revenue and individuals could expect an increase of \$71 billion in personal income if we reach the national average in educational attainment by 2020.
- Higher levels of educational attainment also mean lower crime rates, increased quality of civic life, improved health/life expectancy and a more engaged citizenry.